month of August, 1991. The recommendations of this Committee are being implemented in a phased manner.

lleport on banking system

964. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state;

(a) whether a recent study report on banking syston sponsored by Reserve Bunk by Shri Deena Khatkhatc on banking system has pointed out different vreaknesses in the control and supervision by RBI over the Banks in the context of the economic reforms;

(b | if so. what are the precise weaknesses and drawbacks brought home by the Khatkhate Committee; and other observations and suggestions made by it, and

(c) -whether the report was submitted in December 1993 if so, what action has since been taken thereon and the' reasons for the dlay in impl-mentatton thereof

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY. (a) to (c) The Reserve Bank of India ('RBI) have reported that, they have not spomsored any such study. However Fin-timee Ministery had invited Shri D. Kha-tkhate to submit a report which is currently under examination.

Customer Service in Insurance Sectn'

965. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE he pleased to state:

(a) whether it is a fact that there has beer, no improvement in customer service in insurance Rector: and

(b) if so, what steps Government are taking to enhance customer service bv insurance companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEHAR MURTHY): (a) and (b) No, Sir. The number of maturity claims which were settled by LIC on or before due date and the number of death claims settled within 75 day of the death. of the policyholder increased .from 19.64 lakhs and 1.60 lakhs during 1990-91 to 27.37 lakhs and 2.63 lakhs ciwetively during 1992-93. The total number of customer complaints during this period came down from 15,110 to 14,235. With a view to redressing the grievances of the policyholders. Claims Review Committees have been set up by the LIC ft Zonal Office and Central Office leved. to review the the Hiated claim from used to time.

In the case of G1C, on ,a global basis, the claim disposal ratio and documents disposal ratio which were 3.2 per cent and 76 per cent in 1982-83 have gome up to 73.9 per cent and 91.3 per cent respectively by 1993-94. The GIC and its four subsidiaries have taken up a programme of Frontline Computerisation, and issuance of computer based policies in respect of Mo!.or and Health Insurance has already commenced in certain offices ' of the fubsi-diarie- of the GIC.

The Boards of the LIC, GIC and its four subsidiary companies constantly review the disposal of public grievances and settlement of claims to ensure effecient customer service.

Harassment by Income Tax: Department

966. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

'a) whether Government have made an effort to reduce harassment of middle class people by Income Tax Department:

(b) whether any specfiic programme has been chalked out for the year 1994-95 in this {regard; and

(c) whether any public advisory committee would be formed to assist in this matter? .

'THE MINISTER OF STATE IN I THE MINISTRY' OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY";: at . and *(b).* Yes, Sir. The fol-owine; steps have been taken in this

(i) It has been decided that during the financial year 1994-95 the cases of resident individuals declaring total incoms of Rs. 1,20 lakhs or loss will not be seleited for detailed scrutiny provided the total income does not inriude income from business or profession, the:.; *is no* brought forward or carry forward loss other than from house property and there is no posi- give information of (ax evasion;

(ii) in respect of other cases of total icoms less than Rs. 2 lakhs, only 3 per cent of .he returns will be select- id for scrutiny purely on random basis:

'iii) to help the middle class as- 'sessces a new simplified Form No. 2A 'has been introduced which can be. used by resident individual assessees whose total income; is Rs. 1.20 lakhs or less and such total income does not in-elix'o inccine from business or profession or any ybrought forward or carry forward 'Joss except from House Property;

(iv) the Presumptive Tax Scheme for small traders and persons engaged in vocations, which was originally introduced only for two Financial yeaes 1992-03 and I993-94 has since been continued;

(c) a Central Direct Taxes Advisory Committee at the Central level and also regional Direct Taxes Advisory Committees at the State/Regional level are already functioning.

Excise subsidy for fuel/oil

967. SHRI YERRA NARAYANA-SWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Central Excise subsidy will be extended for purchase of fuel oil by the deep sea fishing industry in Andhra Pradesh;

(.b) whether Government are aware that the deep sea fishing industry is extort oriented; and

(c) if so, the steps, proposed to be taken to assist this export oriented industry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY); (a) to(c). Under; the Central Excises and Sait Act, 1944. there is no concept of excise subsidy. However, the Ministry of Commerce is administering scheme rimed at reimbursing a part . the cost of high speed diesel oil consumed by deep sea fishing vessels so as to make 'the effective price comparable to the international price.

Pre-emptive Purchase of property by Income tax Department

968. SHRI YEREA NARAYANA-SAMY: Will the Minister of FIN- ".NCR he pleased to state:

(a) whether Government propose to advance the present Simlt for pre-emp-ive purchase of property by Income Tax Department;

(b) whether it is a fact that the pre- 'Cnt limit was set marry years ago and

(c) if so, the steps proposed to be taken to raise the limit inview of infla- ;fo:i and all around pri.ec increase?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY); (a) Several representations have been received by the Government 'tvith a plea for raising of the existingLimitt of Rs. *"10* lakhs of apparent consideration for the applicability of the Provisions of the pre-emptive purchase of immovable properties. These arc under consideration of the Government.

(b) The present limit of Rs. 10 lakhs of apparent consideration, was fixed on 1-10-1986.

(c) All relevant factors shall be taken into account before taking any deistofl of increasing the existing limit.